

MAY 20 2014

U.S. DISTRICT COURT
WESTERN DISTRICT OF NC

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION

UNITED STATES OF AMERICA)

DOCKET NO. **1:14cr35**

vs.)

BILL OF INFORMATION

Violations:)

26 U.S.C. § 7201

JARRETT D. MITCHEM,)
Defendant.)

THE UNITED STATES ATTORNEY CHARGES:

INTRODUCTION

1. At all times relevant to this Bill of Information, the defendant, JARRETT D. MITCHEM, was a resident of Henderson County, North Carolina.
2. On or about November 8, 1995, MITCHEM opened a Swiss bank account at UBS AG (hereinafter "UBS"). MITCHEM's parents also maintained a bank account at UBS that MITCHEM inherited when they both passed in 2003. In 2005, MITCHEM transferred all remaining funds—approximately \$4 million—from his parents' former account to his personal UBS account. Between 2005 and 2008 MITCHEM made many trips to Switzerland and multiple personal visits to UBS.
3. On or about November 18, 2011, MITCHEM filed and caused to be filed with the Internal Revenue Service U.S. Individual Income Tax Returns, Forms 1040, for tax years 2005 through 2007. These Forms 1040 failed to claim capital gains from the sale of stock and substantial interest income from these Swiss bank accounts.
4. On or about February 13, 2012, MITCHEM filed and caused to be filed with the Internal Revenue Service a U.S. Individual Income Tax Return, Form 1040, for tax year 2008. This Forms 1040 also failed to claim capital gains and substantial interest income from his Swiss bank account.
5. As part of a settlement with the United States Government in 2009, UBS provided to the

Government the names of persons who likely had engaged in actions designed to evade United States income tax liabilities, including MITCHEM's.

6. An IRS revenue agent contacted MITCHEM in 2011 regarding these accounts. MITCHEM initially withheld some information about his UBS accounts. Once confronted with known facts, he agreed to provide UBS bank records. However, MITCHEM only produced UBS bank records for his parents' account that he closed in 2005 and continued to withhold information about his personal UBS account.
7. As a consequence of his willful efforts to evade the payment of income tax, MITCHEM deprived the United States of over \$150,000 in taxes due for the unclaimed income from these secret Swiss bank accounts.

COUNT ONE

(Tax Evasion-26 U.S.C. § 7201)

8. Paragraphs 1 through 7 of the Introduction to this Bill of Information are re-alleged and incorporated fully herein by reference.
9. On or about the 13th day of February, 2012, in Henderson County, within the Western District of North Carolina, and elsewhere, the defendant

JARRETT D. MITCHEM

did willfully attempt to evade and defeat a significant portion of the income tax due and owing by him to the United States of America for the calendar year 2008, by filing and causing to be filed with the Internal Revenue Service a false and fraudulent U.S. Individual Income Tax Return, Form 1040, in that the Form 1040 failed to include as income earnings from money held in a Swiss bank account, when the defendant then and there knew that such earnings should have been claimed and were willfully omitted to avoid the payment of additional income tax, all in violation of Title 26, United States Code, Section 7201.

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